

CALIFORNIA INSPECTION & MAINTENANCE REVIEW COMMITTEE

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The Honorable Arnold Schwarzenegger
Governor, State of California
State Capitol
Sacramento, California 95814

Dear Governor Schwarzenegger:

I am writing on behalf of the California Inspection and Maintenance Review Committee (Committee) established to provide advice and recommendations to the Administration and Legislature regarding the state's Smog Check program (Program). The Committee is midway through our mandated review of the draft report on the Program prepared by the Bureau of Automotive Repair (BAR) and the California Air Resource Board (ARB) (Evaluation of the California Enhanced Vehicle Inspection and Maintenance Program, April 2004). Based on our review to date, we would like to offer the following as interim suggestions and reflections.

The Committee, at its June 22nd public meeting, spent considerable time hearing public testimony and discussing your recent proposal to exempt the 5th and 6th new model year vehicles from the existing requirement to take and pass a Smog Check and also eliminate the current requirement for a Smog Check upon change of ownership of vehicles during their first four years. Instead, as we understand the proposal, five and six year old vehicle owners would be subject to the new car exemption fee, which would be used to support both the Carl Moyer diesel retrofit/replacement program and the Bureau of Automotive Repair's Consumer Assistance Program.

We applaud the Administration and legislative leadership's engagement in the search for ways to cost-effectively reduce emissions from mobile sources to improve air quality. Such emission reductions are clearly needed if California is to achieve federal and state clean air standards.

We believe we understand the rationale behind the proposal- that is to say that using the new car exemption fee collected in lieu of the 5th and 6th year Smog Checks to support the Moyer Program does indeed appear to promise larger and more cost-effective emission reductions than are currently garnered through Smog Check inspections. In fact, in our April 2003 correspondence to the ARB supporting the continued inclusion of five and six year old vehicles in the Program, we noted the relatively poor cost effectiveness of testing and repairing this segment of the fleet. We suggested stakeholders need to do everything possible to narrow the existing "shot gun" approach associated with the inclusion of cars in traditional testing to a more "rifle shot" approach designed to enable testing those vehicles more likely to fail inspection while avoiding unnecessary traditional testing of those vehicles with an extremely high probability of passing. In the end however, the Committee supported retention of these vehicles in the testing program because, as the ARB noted, California needs the emission reductions garnered through inspection of these vehicles to achieve our clean air goals.

Although we are very encouraged with both the engagement and intentions of the Administration and legislative leadership in making the current proposal, the Committee suggests that the Legislature and the Administration broaden their review of opportunities to garner much needed cost-effective emission reductions from mobile sources.

California needs to identify opportunities to generate appropriate sources of stable funding to adequately support both the Carl Moyer diesel retrofit/replacement program and existing and new cost-effective programs to reduce emissions from light duty vehicles, including such things as:

- Low income consumer assistance to repair high polluting vehicles;
- Voluntary retirement (scrappage) of high polluting vehicles not worth repairing;
- The use of remote sensing technology to identify high polluting vehicles on the road in between required smog checks; and,
- An expanded Consumer Assistance Program featuring better public outreach.

We believe there are opportunities that more adequately support the Moyer program through appropriate broad based funding mechanisms while using the new car exemption fee revenues for light duty vehicle fleet emission reduction programs. Many stakeholders have been involved in intense discussions to develop a consensus around such a Large Emissions Reduction Program and we encourage the Administration and legislative leadership to fully engage in these discussions so that agreement might be reached this year.

Additionally, there is more that could be done immediately to achieve cost effective emission reductions, based on the analysis presented in the ARB/BAR Report of April 2004. This is an opportune time for the Administration and Legislature to consider several of the recommendations contained in this report.

Specifically, we believe that the following recommendations deserve immediate consideration:

- Requiring annual testing of vehicles over 15 years old. This strategy is very promising in terms of cost-effective emission reductions and would result in an immediate benefit in 2005 of 25 tons of ozone precursors removed from our air (p. 33).
- Freezing the 30-year exemption of vehicles. This is a prudent and necessary step to avoid additional older higher polluting cars slipping out of the Program forever (AB 2683 Lieber).
- Greater attention needs to be directed toward newer cars driven much more than normal. Some cars are driven so much that even though they might be newer, their emissions control systems tend to break down with greater frequency than cars driven more normal amounts. We suggest that ARB, BAR, and the Department of Motor Vehicles be directed to develop a mechanism for the identification of these vehicles and that they be required to take and pass an annual Smog Check inspection.
- We also note that the current proposal has a four year exemption from Smog Checks for change of ownership vehicles whereas the ARB/ARB report recommends only a two year exemption for change of ownership. A more prudent course would be to follow the ARB/BAR recommendation on exempting vehicles from change of ownership inspection.

Please note that adoption of these measures- particularly the first measure- would ameliorate the negative impact of the proposal to exempt five and six year old vehicles from inspection for both the “test only” and “test & repair” stations. These critically important partners with government in the Program face a 20-25% reduction in business under the proposal as it now stands. The Committee is quite concerned over the impact of the current proposal because these businesses- with the expensive analytical equipment they purchase and the highly trained technicians they employ- are today’s key to the identification and repair of higher emitting vehicles. The Smog Check Program is a vital component of California’s clean air strategy and is credited with reducing many tons of harmful emissions each day. The success and effectiveness of this program is predicated upon the continued participation of a sufficient number of high quality automotive repair and testing businesses.

Thank you for your consideration of these suggestions. Taken on its own, the proposal as it currently stands may have some unanticipated consequences. If it were integrated into a broader series of program improvements as outlined above, California would be on a sustainable and equitable path toward large, cost-effective emission reductions and improved public health. Once again, let me repeat the Committee's support of your efforts to find ways to cost-effectively reduce emissions from mobile sources and urge continued efforts to address these outstanding issues during this legislative session.

Respectfully,

Victor Weisser
Chair

cc: Senator John Burton, President Pro Tempore
Assembly Speaker Fabian Nunez
Assemblyman Kevin McCarthy
Senator Dick Ackerman
Senator Dede Alpert
Assemblyman Manny Diaz
Senator Kevin Murray
Senator Byron Sher
Assemblywoman Fran Pavley
Assemblywoman Jenny Oropeza
Assemblywoman Sally Lieber
Assemblywoman Judy Chu
Senator Nell Soto
Assemblyman Marco Firebaugh
Alan Lloyd, Ph.D., Chairman, Air Resources Board
Catherine Witherspoon, Executive Officer, Air Resources Board
Tom Cackette, Chief Deputy Executive Officer, Air Resources Board
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James Goldstene, Interim Chief, Bureau of Automotive Repair
Chon Gutierrez, Director, Department of Motor Vehicles